

MANDATE OF THE BOARD OF DIRECTORS

I. GENERAL

1. Mandate

The board of directors (the “**Board**”) of Largo Inc. (the “**Corporation**”) is responsible for the stewardship of the Corporation including the supervision of the management of the business and the affairs of the Corporation and for acting in the best interests of the Corporation. The Board acts in accordance with the *Business Corporations Act* (Ontario); the Corporation’s Articles of Incorporation; the Corporation’s Code of Business Conduct and Ethics; this Mandate and the charters of the Board’s committees and other applicable laws and policies.

2. Board Committees

- (a) To assist it in exercising its responsibilities, the Board has established five standing committees of the Board:
 - (i) an audit committee (the “**Audit Committee**”);
 - (ii) a compensation committee (the “**Compensation Committee**”);
 - (iii) a governance and nominating committee (the “**Governance Committee**”);
 - (iv) an operations committee (the “**Operations Committee**”); and
 - (v) an energy committee (the “**Energy Committee**”).

The Board may establish other standing committees, from time to time.

- (b) Each committee will have a written charter. At a minimum, each charter will clearly establish the committee’s purpose, responsibilities, member qualifications, member appointment and removal, structure and operations (including any authority to delegate to individual members and subcommittees), and manner of reporting to the Board. Each charter will be reviewed by the Board (or a committee thereof) on an annual basis.
- (c) The Board is responsible for appointing directors to each of its committees, in accordance with the written charter for each committee.

II. PROCEDURAL MATTERS

1. Composition

A majority of the members of the Board shall be independent within the meaning of all applicable Canadian securities laws and the rules of the Toronto Stock Exchange, unless exempted thereunder.

2. Board Structure and Operations

(a) Chair

- (i) The Board will appoint an independent director to act as Chair of the Board. If the Board determines that this is not appropriate in the circumstances and instead appoints a non-independent director, who shall not also be a member of management of the Corporation, to act as Chair of the Board, the Board will also appoint an independent director to act as Lead Director, who shall not also be a member of management of the Corporation. Either an independent Chair of the Board or a Lead Director will act as the effective leader of the Board, including chairing Board meetings and ensuring that the Board's agenda will enable it to successfully carry out its duties.
- (ii) If the Chair of the Board or Lead Director, if applicable, is absent or unable or unwilling to act, the directors present at the meeting will choose one of their number to be chair of the meeting.
- (iii) The Chair of the Board and the Lead Director, as applicable, may be removed at any time at the discretion of the Board.
- (iv) If in any year the Board does not appoint a Chair or Lead Director, if applicable, the incumbent Chair and Lead Director, if applicable, will each continue in office until a successor is appointed.

(b) Meetings

- (i) The Chair of the Board or Lead Director, if applicable, in consultation with Board members, will determine the schedule and frequency of Board meetings. However, the Board will meet at least four times per year. A quorum of the Board may, at any time, call a meeting of the Board.
- (ii) The Chair of the Board or Lead Director, if applicable, is responsible for developing and setting the agenda for Board meetings, with the assistance of Board members, the Chief Executive Officer (the "**CEO**") and the Corporate Secretary of the Corporation. Appropriate materials will be provided to the Board in advance of meetings, although the Board recognizes that in certain cases this may not be possible. Materials presented to the Board should be as concise as possible, while providing sufficient information for the directors to make an informed judgment.

(c) Notice

Notice of the time and place of every meeting will be given in writing to each member of the Board not less than 48 hours before the time when the meeting is to be held but if a Board member or the CEO considers it a matter of urgency that a meeting of the Board be convened, they may give notice of a meeting by means of any telephone, electronic or other communication facility no less than one hour before the meeting.

(d) Quorum

A majority of the Board constitutes a quorum at any meeting of the Board.

(e) Attendees

The Board may invite such officers and employees of the Corporation and advisors as it sees fit from time to time to attend a meeting of the Board and assist in the discussion and consideration of matters relating to the Board.

(f) In Camera Sessions

The Board will reserve a portion of each Board meeting for the independent directors to meet without any members of management or other non-independent directors present.

(g) Records

Minutes of meetings of the Board will be recorded and maintained by the Corporate Secretary of the Corporation and will be subsequently presented to the Board for review and approval.

3. Board Mandate Review

The Board will review and assess the adequacy of this Mandate on an annual basis, taking into account all legislative and regulatory requirements applicable to the Board.

III. RESPONSIBILITIES

The Board is responsible for the stewardship of the Corporation, including the supervision of management of the business and the affairs of the Corporation. As part of this mandate, the Board approves decisions that affect the Corporation before they are implemented. As a part of its overall responsibility for the stewardship of the Corporation, the Board assumes responsibility for the following:

1. Stewardship

The Board sets and supervises standards of corporate governance that establish a culture of integrity throughout the Corporation, and guide the operations of the Corporation and management in compliance with the Corporation's constating documents and Ontario corporate law, securities legislation in each jurisdiction in which the Corporation is a reporting issuer, and other applicable laws.

2. Supervising Management of the Corporation

The Board is responsible for supervising the management of the business and affairs of the Corporation, including:

- (a) designating the offices of the Corporation, appointing such officers, specifying their duties and delegating to them the power to manage the day-to-day business and affairs of the Corporation in accordance with the instructions of the Board;
- (b) overseeing the review of such officers' performance and effectiveness; and
- (c) acting in a supervisory role, such that any duties and powers not delegated to the officers of the Corporation remain with the Board and its committees.

3. Strategic Planning

The Board is actively involved in the Corporation's strategic planning process. Management discusses and reviews materials relating to the strategic plan with the Board. The Board is responsible for reviewing and approving the strategic plan, which takes into account the opportunities and risks of the business and environmental, social and governance (ESG) matters. Following the completion of each year, the Board undertakes a review of the strategic plan to assess the strengths, weaknesses and overall results of the plan. The Board also receives reports from management throughout the year on the current and proposed operations of the Corporation and reviews opportunities and assesses risks, including environmental, social and governance-related matters, so that the plan can be adjusted.

4. Risk Management and Compliance

The Board, in its annual assessment of the strategic plan, reviews principal risks and considers management's plans to monitor and manage risk. The principal risks to the Corporation have been identified as risks relating to the environment, safety, securities markets, commodity prices, currency fluctuations, legislative and title issues arising from operations and the fact that mineral exploration and development activities are inherently risky. The Board has instructed management to assist the Board in identifying risks and to promptly alert the Board when a risk has materialized or materially changed. The Board may from time to time, appoint management, Board members or advisors to assist in assessing different risks.

5. Financial Reporting, Internal Controls and Information Technology Systems

The Board is responsible for overseeing the Corporation's financial reporting, internal controls and information technology systems. The effectiveness and integrity of the Corporation's internal control and management information systems contribute to the effectiveness of the Board and the Corporation. To maintain the effectiveness and integrity of the Corporation's financial controls, the Board provides oversight and monitors internal control and management information systems, including cybersecurity threats. To assist it with these responsibilities, the Board has established the Audit Committee.

6. Compensation, Succession Planning and other Human Resources Matters

The Board is responsible for overseeing:

- (a) compensation matters (including compensation of officers and other senior management personnel and approving the Corporation's annual compensation budget); and
- (b) succession planning (including appointing, training and monitoring senior management).

In particular, the Board annually identifies key individuals of the Corporation and, in consultation with management, determines how to replace such individuals should the need arise. Management is assigned the responsibility of training and advising new persons of the Corporation's policies and practices. The CEO has primary responsibility for supervising and reviewing the performance of other senior management. To assist it with these responsibilities, the Board has established the Compensation Committee.

7. Code of Business Conduct and Ethics

The Board is responsible for adopting a written code of business conduct and ethics (the "**Code**"), applicable to directors, officers and employees of the Corporation. The Code constitutes written standards that are reasonably designed to promote integrity and deter wrongdoing and addresses the following issues:

- (a) conflicts of interest, including transactions and agreements in respect of which a director or executive officer has a material interest;
- (b) protection and proper use of corporate assets and opportunities;
- (c) confidentiality of corporate information;
- (d) fair dealing with the Corporation's security holders, customers, suppliers, competitors and employees;
- (e) compliance with laws, rules and regulations; and
- (f) reporting of any illegal or unethical behaviour.

The Board is responsible for monitoring compliance with the Code. Any waivers from the Code that are granted for the benefit of the Corporation's directors or executive officers will be granted by the Board (or a Board committee) only. To assist it with these responsibilities, the Board has established the Governance Committee.

8. Corporate Disclosure Policy and Feedback

The Corporation's Corporate Disclosure Policy governs communication with shareholders and others and reflects the Corporation's commitment to timely, effective and accurate corporate disclosure in

accordance with all applicable laws and with a view to enhancing the Corporation's relationship with its shareholders.

The Corporation's website facilitates feedback from shareholders by permitting requests for information and sending messages directly to the Corporation.

9. Environmental, Social, Governance (ESG) Matters

The Board is responsible for overseeing the Corporation's environmental, social and governance ("ESG") matters.

(a) General ESG Matters

The Board has overall responsibility for establishing the Corporation's most significant ESG-related objectives and commitments and monitors progress against them. The Board is responsible for the Corporation's overall ESG communications strategy.

More specifically, the Board has overall responsibility to approve, where appropriate, relevant ESG-related disclosure, policies and procedures, including, without limitation, disclosure, policies and procedures related to anti-bribery and corruption, cybersecurity, climate and environmental matters, supply chain, human rights, health and safety, and management of the relationship with workforce and local communities, together with any ESG metrics and key performance indicators included in such disclosure.

To assist it with these responsibilities and to coordinate the work of other Board committees in this regard (i.e. the Audit Committee, the Operations Committee and the Energy Committee), the Board has established the Governance Committee.

(b) Corporate Governance

The Board has overall responsibility for developing the Corporation's approach to corporate governance including keeping informed of legal requirements and trends regarding corporate governance, monitoring and evaluating the functioning of the Board and committees of the Board, and for developing, implementing and monitoring good corporate governance practices (including the mandate of the Board and the charters of its committees and corporate governance related policies and procedures, including in relation to diversity). To assist it with these responsibilities, the Board has established the Governance Committee.

10. Other Board Matters

(a) Position Descriptions

The Board is responsible for:

- (i) developing clear written position descriptions for the Chair of the Board, the Lead Director, if applicable, and the Chair of each Board committee; and

(ii) together with the CEO, developing a clear position description for the CEO.

(b) Orientation and Continuing Education

The Board is responsible for arranging:

- (i) for new directors to receive a comprehensive orientation, so that they fully understand:
 - (A) the role of the Board and its committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and energy that the Corporation expects from its directors), and
 - (B) the nature and operation of the Corporation's business; and
- (ii) continuing education opportunities for all directors, so that they may:
 - (A) maintain or enhance their skills and abilities as directors, including in relation to ESG matters, and
 - (B) ensure that their knowledge and understanding of the Corporation's business remains current.

(c) Regular Board Assessments

The Board is responsible for annually assessing its own effectiveness and contribution, as well as the effectiveness and contribution of each Board committee and each individual director. Such assessments should consider:

- (i) in the case of the Board, this Mandate;
- (ii) in the case of a Board committee, the committee's charter; and
- (iii) in the case of an individual director, the applicable position description(s), as well as the competencies and skills each individual director is expected to bring to the Board, including in relation to ESG matters.

(d) Nomination of Directors

The Board is also responsible for identifying individuals qualified to become new Board members and recommending the new director nominees for the next annual meeting of shareholders. Prior to nominating or appointing individuals as directors, the Board should:

- (i) consider what competencies and skills the Board, as a whole, should possess, including in relation to ESG matters;
- (ii) assess what competencies and skills each existing director possesses; and

- (iii) consider the appropriate size of the Board, with a view to facilitating effective decision-making.

To assist it with these responsibilities, the Board has established the Governance Committee.

(e) Outside Advisors

In performing its functions, the Board is entitled to rely on the advice, reports and opinions of management, counsel, accountants, auditors and other expert advisors. The Board has the authority to retain and approve the fees and retention terms of its outside advisors.

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